

AN ACT

RELATING TO TAXATION; PROVIDING FOR AN INCOME TAX DEDUCTION FOR ORGAN DONATION-RELATED EXPENSES INCURRED BY TAXPAYERS OR THEIR DEPENDENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Income Tax Act is enacted to read:

"DEDUCTION--EXPENSES RELATED TO ORGAN DONATION.--

A. A taxpayer may claim a deduction from net income in an amount not to exceed ten thousand dollars (\$10,000) of organ donation-related expenses, including lost wages, lodging expenses and travel expenses, incurred during the taxable year by the taxpayer or the taxpayer's dependent as a result of the taxpayer's or dependent's donation of a human organ to another person for transfer of that human organ to the body of another person.

B. A husband and wife who file separate returns for a taxable year in which they could have filed a joint return may each claim only one-half of the deduction provided by this section that would have been allowed on a joint return.

C. For the purposes of this section:

(1) "dependent" means "dependent" as defined by Section 152 of the Internal Revenue Code, as that section

may be amended or renumbered; and

(2) "human organ" means all or part of a heart, liver, pancreas, kidney, intestine, lung or bone marrow."

Section 2. APPLICABILITY.--The provisions of this act apply to taxable years beginning on or after January 1, 2005.==